



Michelle Lujan Grisham

Governor

Environment Department

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Cabinet Secretary

Energy, Minerals and Natural Resources Department

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Cabinet Secretary

ELECTRONIC DELIVERY

November 5, 2021

Kevin Shade

Grants Mining District Coordinator

U.S. Environmental Protection Agency – Region 6

1201 Elm Street (SEDEC)

Dallas, TX 75270

RE: Agency Comments on Proposed Tronox Allocation Strategy

Dear Kevin Shade,

The New Mexico Environment Department (NMED), Mining Environmental Compliance Section and the Energy, Minerals and Natural Resources Department (EMNRD), Mining and Minerals Division (the Agencies) are writing in response to the Environmental Protection Agency's (EPA) October 13, 2021, presentation to the Agencies on a proposed allocation strategy for expenditure of Tronox settlement funds for cleanup of Tronox mine site contamination.

In general, the Agencies support an allocation strategy as presented by EPA to the Agencies on October 13, 2021. The Agencies appreciate EPA's efforts to create a strategy that distributes available Tronox funds in an equitable manner (e.g., funding an equal percentage of estimated capital costs at each mine or mine grouping), provides a pathway to engage with other potentially responsible parties (PRPs) for additional funding, and accelerates the initiation of cleanup of legacy uranium mine impacts at Tronox mine sites.

The Agencies request clarification on several points as follows.

- If EPA proceeds with an allocation strategy that bases capital cost estimates on remedies involving off-site disposal of waste from Region 9 sites, the Agencies request a more detailed plan from EPA regarding EPA's near-term actions to pursue remaining PRPs to accelerate cleanup at the Region 6 sites, which will receive a smaller overall portion of the Tronox settlement funds under such a strategy.

- The Agencies request more detail on the cost allocation and how the percentages depicted on the pie chart in slide 10 were determined.
- The Agencies would like to see information that provides the basis for the response costs allocated to EPA (the Intramural and Extramural pie chart slices on page 10 of the presentation). Is there a component of these costs that would be more appropriately included within each of the individual site costs and/or recovered from non-Tronox PRPs?

New Mexico is committed to ongoing dialogue with Tribes, Nations and Pueblos as activities related to the Tronox Settlement and mine cleanup proceed.

We request that EPA involve the Agencies in future discussions regarding the allocation strategy. Please contact Holland Shepherd at (505) 490-0967/ Holland.Shepherd@state.nm.us or Kurt Vollbrecht at (505) 660-9420 / kurt.vollbrecht@state.nm.us if you have any questions.

Sincerely,



Holland Shepherd, Program Manager
Mining Act Reclamation Program

Kurt Vollbrecht, Program Manager
Mining Environmental Compliance Section

Cc: John Rhoderick, Acting Director, NMED Water Protection Division
Jerry Schoeppner, Director, EMNRD Mining and Minerals Division
Andrew Knight, Assistant General Counsel, NMED Office of General Counsel
Dana David, Assistant general Counsel, EMNRD Office of General Counsel
Pam Travis, EPA Region 6
Will Duncan, EPA Region 9
Laurie Williams, EPA Region 9